STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: HJM INTERNATIONAL TRADING
LTD., ITS OFFICERS AND DIRECTORS, AGENTS,
EMPLOYEES, AFFILIATES, SUCCESSORS AND
ASSIGNS.

FILE NO. 0201001

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTS:

HJM International Trading Ltd. 5415 North Sheridan Road

Suite 3804

Chicago, Illinois 60640

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

- 1. That Respondent HJM International Trading Ltd., an Illinois corporation ("Respondent"), maintains a business address at 5415 North Sheridan Road, Suite 3804, Chicago, Illinois 60640.
- 2. That on or about November 12, 2001, Respondent, through its representative, approached an Illinois resident ("Investor") and pursued a relationship with investor for the purpose of selling him a promissory (the "Offering") note at the price of \$5,000. Investor was promised a return of \$7,000.00 on his investment, when the Transaction was completed.
- 3. That Respondent told Investor that Respondent would "partner" with Investor and match Investor's funds with a like amount of its own funds in order to purchase toys made in Mexico, for resale in Mexico ("Transaction").
- 4. That on or about November 12, 2001, Investor purchased the Offering.
- 5. In mid December 2001, Respondent advised Investor that the Transaction was successful, but that he had to wait until after the New Year for his money because of tax reasons.

- 6. That after Investor requested his money on several occasions, Respondent solicited that Investor roll over the \$5,000.00 original investment plus the putative profit of \$2,000.00, and invest an additional \$9,875.00, toward a cigarette investment in which Respondent would "partner" again with a like sum. Respondent guaranteed to return \$16, 875.00 to Investor. As an assurance, Respondent gave Investor a post dated company check for \$16, 875.00.
- 7. That from February, 2002 through May, 2002, Respondent told Investor he was having a difficult time collecting any money from his business contacts in Mexico. Investor deposited the company "assurance" check into his account on May 30th, 2002 but it was returned as payment was stopped by the payor.
- 8. That the activities described in paragraphs 2 through 6 above constitute the offer of a certificate of interest or participation in a profit-sharing agreement or an investment contract and therefore a security as those terms are defined in Sections 2.1 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 9. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 10. That Respondents failed to file with the Secretary of State an application for registration of the investment opportunity described above as required by the Act and that as a result the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
- 11. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 12. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 13. That by virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act, and Respondents will violate Section 12.A of the Act again if they make further offers, or if they make any sales, of the investment opportunity described above in the State of Illinois.
- 14. That the aforementioned findings are based upon credible evidence.
- 15. That Section 11.F(2) of the Act provides, <u>inter alia</u>, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to Investors that will occur as a result of prior violations of the Act.

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16. That the entry of this Temporary Order prohibiting Respondents, or their agents, affiliates, and employees, from offering or selling the above-referenced securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents are prohibited from offering or selling securities in or from this State until further Order of the Secretary of State.

NOTICE is hereby given that Respondents may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 17 North State Street, Suite 1100, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

ENTERED: This 12th day of May, 2003.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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